



## JOINT MEETING OF THE RETIREMENT BOARDS

The Employees and Fire and Police Retirement Boards met in a joint session in Council Chambers, 2<sup>nd</sup> Floor, City Hall, 2600 Fresno Street, Fresno, California at the hour of 2:15 p.m. on the day above written.

### Roll Call 2:42 p.m.

Present for the Employees Retirement Board:

Carla Lombardi	Vice-Chair
Frank Balekian	Member
Marvell French	Member
Darrell Fifield	Member

Absent:

William Quick	Chair
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Present for the Fire and Police Retirement Board:

Brian Burry	Chair
Carla Lombardi	Member
Paul Cliby	Member
Stephen Guinn	Member
Darrell Fifield	Vice Chair

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APPROVE MINUTES OF THE **JOINT  
RETIREMENT BOARD** FOR JUNE 16,  
2004, REGULAR BOARD MEETING.

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ON MOTION of Member Cliby seconded by Member Guinn, duly carried, RESOLVED to approve the minutes of June 16, 2004, hereby approved by the following vote:

Ayes:	Burry, Lombardi, Cliby, Guinn, Fifield
Noes:	None
Abstain:	None
Absent:	None

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ON MOTION of Member Balekian seconded by Member French, duly carried, RESOLVED to approve the minutes of June 16, 2004, hereby approved by the following vote:

Ayes:	Lombardi, Balekian, Fifield, French
Noes:	None
Abstain:	None
Absent:	Quick

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APPROVE AGENDA OF July 21, 2004 :

ON MOTION of Member Guinn seconded by Member Cliby, duly carried, RESOLVED to approve the agenda of July 21, 2004, hereby approved by the following vote:

Ayes: Burry, Lombardi, Cliby, Guinn, Fifield  
 Noes: None  
 Abstain: None  
 Absent: None

ON MOTION of Member Balekian seconded by Member French, duly carried, RESOLVED to approve the agenda of July 21, 2004, hereby approved by the following vote:

Ayes: Lombardi, Balekian, Fifield, French  
 Noes: None  
 Abstain: None  
 Absent: Quick

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### **TIMED SCHEDULED HEARINGS AND MATTERS**

NONE :

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### **CONSENT CALENDAR**

CONFIRM DATE AND TIME FOR THE NEXT  
 REGULAR JOINT MEETING OF THE  
 RETIREMENT BOARDS SCHEDULED FOR  
 2:15 P.M., AUGUST 11, 2004, FRESNO  
 CITY HALL, 2600 FRESNO STREET,  
 MEETING ROOM A

CONFIRM DATE AND TIME FOR THE NEXT  
 INVESTMENT COMMITTEE MEETING  
 SCHEDULED FOR 8:30 A.M. TO 11:30 A.M.  
 ON AUGUST 19, 2004

CONFIRM DATE AND TIME FOR THE NEXT  
 ADMINISTRATIVE COMMITTEE MEETING  
 SCHEDULED FOR 9:00 A.M. TO 12 NOON  
 ON JULY 22, 2004

APPROVE MONTHLY BUDGET REPORT OF  
 THE RETIREMENT ADMINISTRATIVE  
 OFFICE AS OF MAY 31, 2004

Member Lombardi states that she will be on vacation for the Aug 19, Investment Committee meeting. Member French states she will be on vacation for the Aug 11, Retirement Board meeting, brief discussion follows.

ON MOTION of Member Lombardi seconded by Member Guinn, duly carried, RESOLVED to approve consent calendar, hereby approved by the following vote:

Ayes: Burry, Lombardi, Cliby, Guinn, Fifield

Noes: None  
 Abstain: None  
 Absent: None

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ON MOTION of Member Lombardi seconded by Member Balekian, duly carried, RESOLVED to approve consent calendar, hereby approved by the following vote:

Ayes: Lombardi, Balekian, Fifield, French  
 Noes: None  
 Abstain: None  
 Absent: Quick

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## **EMPLOYEE PERSONNEL ISSUES**

None.

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## **STAFF INITIATED ITEMS**

None.

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## **BOARD INITIATED ITEMS**

CONSIDER RECOMMENDATION FROM  
 INVESTMENT COMMITTEE TO APPROVE  
 HIGH YIELD INVESTMENT ASSIGNMENT  
 TO LOOMIS SAYLES & COMPANY

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Administrator McDivitt reviews the recommendation and report from the Due Diligence Committee.

ON MOTION of Member French seconded by Member Lombardi, duly carried, RESOLVED to approve high yield investment assignment to Loomis Sayles & Company, hereby approved by the following vote:

Ayes: Lombardi, French, Fifield  
 Noes: None  
 Abstain: Balekian  
 Absent: Quick

ON MOTION of Member Guinn seconded by Member Cliby, duly carried, RESOLVED to approve high yield investment assignment to Loomis Sayles & Company, hereby approved by the following vote:

Ayes: Burry, Lombardi, Cliby, Guinn, Fifield  
 Noes: None  
 Abstain: None  
 Absent: None

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CONSIDER RECOMMENDATION FROM  
INVESTMENT COMMITTEE TO UPDATE  
THE BOARD'S INVESTMENT OBJECTIVES  
AND POLICY STATEMENT FOR HIGH  
YIELD INVESTMENT GUIDELINES.

Administrator McDivitt begins with an update and distributes revised policy for consideration. Brief discussion followed.

ON MOTION of Member French seconded by Member Lombardi, duly carried, RESOLVED to approve update to the Board's Investment Objectives and Policy Statement for high yield investment guidelines, hereby approved by the following vote:

Ayes: Lombardi, Balekian, French, Fifield  
Noes: None  
Abstain: None  
Absent: Quick

ON MOTION of Member Cliby seconded by Member Guinn, duly carried, RESOLVED to approve update to the Board's Investment Objectives and Policy Statement for high yield investment guidelines, hereby approved by the following vote:

Member Lombardi further requests that revision be distributed to Wilshire for review and to provide report to the Board.

Ayes: Burry, Lombardi, Cliby, Guinn, Fifield  
Noes: None  
Abstain: None  
Absent: None

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DISCUSS AUTHORIZATION FOR  
DISTRIBUTION OF REPORT FROM  
GABRIEL ROEDER, SMITH AND COMPANY  
REGARDING THE PROJECTION OF  
AVAILABLE SURPLUS DURING THE NEXT  
SIX VALUATIONS.

Administrator McDivitt reviews this issue. Brief discussion follows.

ON MOTION of Member French seconded by Member Lombardi, duly carried, RESOLVED to approve distribution of projection of available surplus during the next six valuations report from Gabriel Roeder, Smith and Company to the City Manager, City Council and Bargaining Groups, hereby approved by the following vote:

Ayes: Lombardi, Balekian, French, Fifield  
Noes: None  
Abstain: None  
Absent: Quick

ON MOTION of Member Cliby seconded by Member Lombardi, duly carried, RESOLVED to approve distribution of projection of available surplus during the next six valuations report from Gabriel Roeder, Smith and Company to the City Manager, City Council and Bargaining Groups, hereby approved by the following vote:

Ayes: Burry, Lombardi, Cliby, Guinn, Fifield  
Noes: None  
Abstain: None  
Absent: None

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**CLOSED SESSION – ANNUAL PUBLIC  
EMPLOYEE PERFORMANCE EVALUATION –**  
Government Code section 54957  
1. RETIREMENT ADMINISTRATOR

No action is reported out of closed session.

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## GENERAL DISCUSSION

REPORT FROM THE RETIREMENT  
ADMINISTRATOR ON RETIREMENT  
PROJECTS AND COMMITTEE ACTION  
AGENDAS.

Administrator McDivitt reviews ongoing projects such as manager searches, Investment Committee, update of the 2828 Fresno Street Project, processing audit, year-end financials, preparing data for Actuary, reviewed Admin Committee discussion with Actuary on various actuarial issues including determination of cost neutrality of DROP, experience studies, review of the disability medical review process, reclassification of job specifications.

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PENDING ACTION LIST DATED JULY 12,  
2004, FROM RUSS RICHEDA, SALTZMAN &  
JOHNSON LAW CORPORATION.

Legal Counsel Richeda briefly summarized the report as presented.

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## INFORMATION ONLY ITEMS

FRESNO CITY EMPLOYEES HEALTH AND  
WELFARE TRUST FOR THE REGULAR  
BOARD MEETING DATED JUNE 9, 2004  
AND MINUTES OF THE REGULAR BOARD  
MEETING DATED MAY 12, 2004.

Received

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INTERNET ARTICLE DATED JULY 12, 2004  
REGARDING MUNICIPALITIES STRUGGLE  
TO PAY PENSIONS.

Received

JUNE 30, 2004, FRESNO BEE ARTICLE  
REGARDING GOVERNOR'S PENSION DEAL.

Received

THE SACRAMENTO BEE INTERNET  
ARTICLES (PUBLISHED JUNE 29 AND 30,  
2004) REGARDING PUBLIC EMPLOYEE  
PENSIONS.

Received

MAY 18, 2004, FRESNO BEE ARTICLE  
REGARDING FRESNO COUNTY BOARD OF  
RETIREMENT.

Received

JUNE 14, 2004, PENSION & INVESTMENTS  
INTERNET ARTICLE REGARDING SAN  
DIEGO CITY STRUGGLING WITH  
UNFUNDED LIABILITY.

JULY 8, 2004, INTERNET ARTICLE  
REGARDING THE MAYOR OF SAN DIEGO  
COUNTY PENSION PROPOSAL.

Received.

JULY 12, 2004, EMAIL FROM LOS  
ANGELES DAILY NEWS REGARDING  
PENSION OF LA COUNTY GOVERNMENT  
EMPLOYEES.

Received.

JULY 12, 2004, EMAIL TO ADELA  
GONZALEZ, PERSONNEL DIRECTOR FROM  
STANLEY MCDIVITT REGARDING  
REQUIREMENT UNDER THE SOCIAL  
SECURITY PROTECTION ACT OF 2004.

Received.

**UNSCHEDULED ORAL COMMUNICATIONS**

None.

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**PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING**

None.

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**PUBLIC COMMENTS**

None.

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**ADJOURNMENT – 2:59 p.m.**

There being no further business to bring before the Board, and hearing no objections, the Chairs declare the Joint Retirement Board regular meeting adjourned.

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Paul Cliby, Chair  
Fire & Police Retirement Board

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Carla Lombardi, Vice-Chair  
Employees Retirement Board

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Retirement Board Secretary/Deputy